

The Honorable James E. Clyburn
Statement for the Record
Supporting the Disadvantaged Business Enterprise (DBE) Program

Recent events have underscored the inequities that still exist in American society, and there is a cry for systemic change. We must reaffirm our commitment to leveling the playing field and doing what is fair to empower women- and minority-owned businesses to reach parity.

The Disadvantaged Business Enterprise (DBE) program at the Department of Transportation was established in 1980 under Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race and gender. The intent of the program is to remedy past discrimination in federal transportation contracts by setting goals for awarding contracts to women- and minority-owned businesses.

The long record of discrimination this program seeks to remedy is undeniable. During the Great Depression, President Roosevelt invested extraordinary resources in infrastructure projects as part of the Works Progress Administration. His federal investments came with a tag in the South that said, “No Blacks allowed.” The same was true for women, since the jobs were intended for men, who were assumed to be the primary family breadwinner. As a result, many white American households headed by men built themselves out of the depression, while most Blacks and women-led households remained in abject poverty without the means to recover.

Today, if we were to dismiss equity and fairness in our federal transportation contracting, we would see the disparities in unemployment and income grow.

There is indisputable and overwhelming evidence that discrimination still exists in the federal transportation marketplace against women- and minority-owned businesses. Data-driven disparity studies illustrate the need for the DBE program to continue. One study revealed that Black architecture and engineering businesses’ receipts are 42 percent and 45 percent lower, respectively, than their white counterparts. Non-minority women-owned architecture and engineering businesses earned 39 and 38 percent less than businesses owned by white men.

Underrepresented businesses achieve better outcomes on construction, architecture, engineering, and other service contracts when goal-oriented programs are implemented to encourage the participation of these business groups in government contracts. Without these goals and measures in place, many of these businesses report that they would be completely shut out of government contracting opportunities.

In this time of reckoning over historic inequities in our country, we must reaffirm our commitment to essential programs like DBE to continue making progress toward a more perfect Union with liberty and justice for all.